

AGENDA
HUNTINGTON CITY SPECIAL MEETING
September 2, 2015

Notice is hereby given that the Huntington City Council will hold a special meeting September 2, 2015 at the city office building located at 20 South Main. Meeting will start at 10:30 a.m.

Agenda will be as follows:

1. Sale of City property

Adjournment

Posted this 1st day of September 2015

CERTIFICATE OF POSTING

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda were posted in three public places within the Huntington City limits. These public places being 1) Huntington City Hall; 2) Desertview Federal Credit Union; and 3) the U.S. Post Office.

JENENE HANSEN
HUNTINGTON CITY RECORDER

The public is invited to attend all city council meetings. If you need special accommodation to participate in the meeting, please notify Jenene Hansen, City Recorder, (435) 687-2436, at least 3 working days prior to the meeting.

HUNTINGTON CITY COUNCIL SPECIAL MEETING
September 2, 2015

Huntington City Council met in a special meeting on September 2, 2015 at the city office building located at 20 South Main Street. Meeting started at 10:30 a.m., with Mayor Hilary Gordon presiding.

Mayor: Hilary Gordon
Recorder: Jenene Hansen
Zoning Administrator: Gary Arrington

Roll Call: Gloria Wilson, Jerry Livingston, Lanea Cowley, Mark Justice, Julie Jones.

Hilary: This meeting is to clarify some of the questions that we have on this property sale. There has been some confusion so we want to make sure everyone is on the same page so that we can move forward with advertising this property. What happened is that it was decided in a City Council meeting that some stipulations should be put on the property sale. Then we had a public hearing and the public was made aware of what we were doing and there was no contention with that. Then we went to advertise it in the newspaper and when Jenene went to put it in the newspaper we didn't have the stipulations on it. In between time I recommended that our lawyer look at what we were putting in the paper because we wanted to make sure we had it worded correctly. Nick is the one that realized we didn't do a public hearing. So I wanted to make sure that we had everything else done right and sent the notice to Nick. He made some changes to what Jenene had written up and Jenene submitted it to the paper on Monday. I looked at it and Jerry looked at it and didn't realize that the stipulations were not in it. Then Gloria looked at it and said we don't have the stipulations and then I talked to Jenene and I recommended at that time that she talk to Nick concerning this.

Jenene: I think this is a pretty touchy situation as far as what city people might say. I want to do everything right and I had a conversation with Nick. I told him about the stipulations that were set to go on the property. I told him at the time the minutes were not finalized but it was motioned to have the stipulations on the notice. As we talked, Nick said the stipulations might have an effect on who submits bids on this. He suggested it may be best to leave the conditions off. We discussed that we are in September, can someone really complete the stipulations within the time frame. Once the purchase is done and someone has the property in their name, what can the city really do to make sure things follow through? Nick suggested that we have a meeting and talk about this. After Gloria called me I called the newspaper and told them to not post it in that paper. At this time I think we need to communicate with each other and get it done right. **Hilary:** The purpose of the meeting today is to decide if we do want to put stipulations on it after hearing Nick's suggestions. **Gary:** It has left the original intent of the property. You have conflicting view points, you have one that is subjective which is what are you going to do with and you have one that is objective which is how much is it going to cost. If you have a higher bid but you give it to someone because they say they might be open in 12 months and they are not then you open yourself up for a lawsuit because you didn't give it to the highest bid and you gave it to somebody who didn't follow through. You need to base it on usage or you need to base it on price but if you do it on both then the council itself is putting yourself out for liability in the future. **Julie:** Gary, when I called you and asked if we could legally put the stipulations on you told me yes. **Gary:** The whole thing has changed now. When we first bought that property both pieces were to be used for economic development and it wasn't a case of advertising the property. What you want to do now is you are acting like you want the property to go away your acting like it is surplus property rather than economic development property. You have changed the rules. **Julie:** We hadn't changed the rules until a business came in and put a bid in on it. We didn't advertise it before Dave put in a bid. **Gary:** Originally we had it available so the city could act quickly and get rid of it. Then Dave put in a bid

and so you thought you would put it up for sale like you would surplus property and this property should have been put under an economic development segment. **Hilary:** Going back the reason this was purchased, from UDOT is because it was an I sore it was purchased to beautify that corner. **Jerry:** That's what worries me is if someone continues to use it as and I sore. **Gloria:** I think what Gary is saying is that we need to change the stipulations that we have on it, because of the time lines. **Gary:** Once you sign off the property and they have the deed they are no longer under you, it can't be enforced. **Hilary:** I just want to clarify; Nick did not say that we cannot put stipulations on it I just want the wordage from the council and I know that's what Jenene wants. **Mark:** I have two points I want to clarify; going back to when we received the bid, we received an offer for \$19,200.00 and we had put a minimum price on that of \$45,000.00 with stipulations. **Gloria:** The first bid was \$20,000.00 the second bid was \$19,000. **Mark:** Say for clarification let's say he put a bid of approximately \$20,000.00 on it, we had put a minimum price of \$45,000.00 that had those stipulations and so he didn't meet our minimum standards which is why we didn't sale the property to him. Then at the next city council meeting when he again wanted to buy the property that's when we said that we would take the stipulations off and sale it to anybody that we wanted to. We as the city council can do whatever we think is in the best interest of Huntington City. If I listened correctly to what Jenene said about the lawyer, the lawyer said that you would probably get more money if you don't put stipulations on it because if you put stipulations on it you might have fewer people interested. Because maybe they can't or don't want to meet your criteria but that doesn't mean that you still can't put the stipulations on. I can't help but think there has to be some type of legal agreement that you could enter into with the prospective buyer where they are obligated legally to follow through on that. The other thing is we need to go back to why we bought the property in the first place. We didn't buy it for speculation we didn't buy it because we think that we could pay \$19,000.00 and turn around and sale it for \$30,000.00 we bought it because we wanted to protect it and have it available for someone who wanted to put a business there. If you still believe that is what we should do then we should put those stipulations on it. If you just want to get rid of it then sale it to whoever gives you the most money. My concern is, if you get in this situation and you get different bids come in and you start evaluating in your mind this is more worthy than this and this is a better business than that then you are going to wind up taking maybe not the highest offer because you don't think it's as worthy as someone who is lower and then I think you've just gone way off track and I think we should sell it to the highest bidder. If you want the stipulations on there then put them on and if you don't want them then take it off and whoever gives you the most money sale it. **Gary:** On the first piece of property Huntington City bought it from UDOT simply for the fact that UDOT had to sell it to a government agency they would not sell it to and individual. **Mark:** I think this will work out really well; you've got some interested people. From my own point of view I think the stipulations are a good thing. Maybe change the stipulations to one year and two years. **Julie:** I am willing to change the stipulations to twelve months and two years. **Gary:** It's still not forcible. **Julie:** I stay with my motion that I made at city council other than extending the time limit to one year and two years. **Lanee:** It steers people away who would buy it and sit on it. **Hilary:** We will put the stipulations on the notice. **Jenene:** from one year to two years and the business must be open in two years. What if Granges put in a bid and he already has a business. **Julie:** He still has to add on. **Mark:** You change the wording in your motion to a new or expansion of an existing business.

JULIE JONES MOTIONS TO LIST THE SALE OF PROPERTY WITH THE STIPULATIONS OF A NEW BUSINESS OR THE EXPANSION OF AN EXISTING BUSINESS MUST BE STARTED WITHIN ONE YEAR AND COMPLETED IN TWO YEARS. JERRY LIVINGSTON SECONDS THE MOTION WHICH THE COUNCIL ALL APPROVED.

Julie: Can I amend the agenda and have everyone look at this. There is \$2000.00 left from the CIB for the park project. I got with Karl Kay and Jonathon because arrow head construction is the one that did that and with CIB you have to have a contractor. For more electrical outlets it is \$1200.00 Hilary told

them she wanted a swamp cooler that is \$1100.00, replacement of concrete is \$2200.00 we have \$2000.00 to spend, I don't want it just my decision because we are in this together. We need to communicate. I have to leave so if each of you will look at this. **Mark:** Are you saying we can do one but not all of those? Why don't you make a recommendation to us of what you think? **Julie:** I think we need the electrical. If you want to call me and let me know your opinions then we can make a decision. **Mark:** I move that we spend the \$2000.00 on a combination of outlets and cement. **Hilary:** I think if we do the cement and the electrical and I will submit that to Ronni and we will see where we can take the rest of it from. **Gary:** I think if the city does it you can do it a lot cheaper. **Gloria:** Are you saying the city can do the electrical? **Gary:** I'm saying this group is in charge. **Hilary:** CIB requires us to use a contractor.

MARK JUSTICE RESTATES HIS MOTION THAT WE SPEND THE \$2000.00 ON A COMBINATION OF ELECTRICAL AND CONCRETE AND IF THIS ENDS UP COSTING MORE THEN WE WILL TAKE IT OUT OF SOME OTHER BUDGET. GLORIA WILSON SECONDS THE MOTION WHICH THE COUNCIL ALL APPROVES.

Adjourned 11:30 AM

Jenene Hansen
Huntington City Recorder